

EXECUTIVE SECRETARIAT

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI		X 2		
3	EXDIR		X 3		
4	D/ICS				
5	DDI		X 4		
6	DDA				
7	DDO		X 5		
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/EEO				
14	D/Pers				
15	D/OEA				
16	C/PAD/OEA				
17	SA/IA				
18	AO/DCI				
19	C/IPL/OIS				
20	C/TTIC	X 1			
21					
22					
SUSPENSE		25 May Date			

Remarks:

Please prepare reply for
DDCI's signature.

Executive Secretary

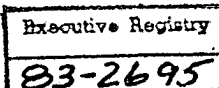
20 May 1983

Date

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DEPARTMENT OF STATE
THE DIRECTOR OF INTELLIGENCE AND RESEARCH
WASHINGTON



May 19, 1983

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MEMORANDUM FOR: Mr. John McMahon
Deputy Director,
Central Intelligence Agency

SUBJECT: Tech Transfer through India

John,
After discussions with Ambassador Barnes and various members of CIA and DOD over the past few weeks, we conclude that the question of the extent and nature of the possible transfer of Western technology to the Soviet Union via India warrants additional attention from the Intelligence Community.

The latest review of our intelligence on the subject showed little hard evidence of illegal diversions, but that does not mean they haven't occurred. We simply don't have enough evidence to make a confident assessment of the question. Because of the significance of the issue to our relations with India, we have discussed informally with Fred Cirillo and other members of TTIC and TTAC the possibility of undertaking two tasks:

- an effort to size and describe the nature of the iceberg, the tip of which may be reflected by the few ambiguous reports we have that US technology, particularly computer software; but other items as well, may have been transferred to the Soviets;
- an effort to assess US and, as a separate question, Indian Government ability to monitor and enforce a possible bi-lateral agreement to control sensitive Western technology.

I request your assistance in these two efforts.

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For the second task, DOD could provide a list of the US items available to India of greatest technological concern. We would then need to know which Indian industries, both private and public, would be receiving them and the role of Indian Government in the acquisition (including licensing, foreign exchange allocations, etc.). SIG/TT experience with past technology control agreements between the US and other foreign governments could be a criteria by which to judge the probable effectiveness of any agreement with India.

It would be most useful to have at least the preliminary results available for review by the SIG/TT before Secretary Shultz' visit to New Delhi in late June. I believe, also, that this work on India will prove useful as we address similar problems in other neutral countries such as Finland or Switzerland.

I would appreciate your support in providing the necessary coordination and priority for these tasks. INR's point of contact will be the Office of Politico-Military Analysis (Dean Howells, 632-2043.)

Many thanks for your help, I hope this is doable with out too much strain.


Hugh Montgomery

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